UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/406,290	09/24/1999	JEFFREY K. DELLINGER	37168/82045	1448

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ART UNIT	PAPER NUMBER
3627	

DATE MAILED: 02/28/2003   *10*

Please find below and/or attached an Office communication concerning this application or proceeding.

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *02 January 2003* .

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-43* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-43* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11)☐ The proposed drawing correction filed on _____ is: a)☐ approved b)☐ disapproved by the Examiner.

    If approved, corrected drawings are required in reply to this Office action.

12)☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____ .

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage
application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

14)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

    a) ☐ The translation of the foreign language provisional application has been received.

15)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)	4) ☐ Interview Summary (PTO-413) Paper No(s). _____ .
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) ☐ Notice of Informal Patent Application (PTO-152)
3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ .	6) ☐ Other: .

DETAILED ACTION

Claim Rejections - 35 USC § 103

1.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

2.   Claims 1-3 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Golden in view of Corlett et al.

With regard to claim 1, Golden discloses a computerized method for

administering a variable annuity benefit plan (abstract, col. 1 line 14+) having a target

payment (56, col. 8 line 52+) and for determining the amount of a current benefit

payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method includes the

steps of storing data relevant to the account, including account value (54, Fig. 2a),

target payment (56), investment rate (58), a payout term and a period of benefit

payments (50, col. 7 line 10+), determining initial and periodic benefit payments and

comparing to the target payment (col. 10 line 66, col. 11 line 1+), maintaining a

cumulative total of benefit payments (see Fig. 3), and making benefit payments to the

beneficiary (col. 12 line 63+). With regard to claims 2 and 3, Golden discloses a means

for calculating the periodic benefit payments and the account value (see Figs. 2a-3).

The means are not the same formulae of the claimed invention, however, a number of

mathematical formulae are used in the field to calculate such values and it would be obvious to one skilled in the art that any appropriate formula could be used.

The method of Golden differs from the claimed method in that the target payment is not a guaranteed minimum payment that is reached by adjusting the amount of the periodically determined payment upwardly or downwardly so as to always have a value at least equal to the target payment [claim 1].

Corlett discloses a method for financial planning that allows payments to be adjusted upwardly or downwardly so as to always have a value at least equal to a selected target payment (see Figs. 5A and 5B).

It would be obvious to one skilled in the art to modify the method of Golden to allow periodically determined payments to be adjusted upwardly or downwardly so as to always have a value at least equal to a selected target payment, as taught by Corlett, to provide beneficiaries with a steady income.

3.   Claims 4-6 are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of Edelman ('174).

With regard to claim 4, Golden discloses a data processing method for administering a variable annuity benefit plan (abstract, col. 1 line 14+) and determining the amount of a current benefit payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method includes the steps of storing data relevant to the account, including account value (54, Fig. 2a), determining initial and periodic benefit payments (col. 10 line 66, col. 11 line 1+), maintaining a cumulative total of benefit payments (see Fig. 3)

and withdrawals (col. 13 line 8+), and making benefit payments to the beneficiary (col. 12 line 63+). With regard to claims 5 and 6, discloses a means for calculating the periodic benefit payments and the account value (see Figs. 2a-3). The means are not the same formulae of the claimed invention, however, a number of mathematical formulae are used in the field to calculate such values and it would be obvious to one skilled in the art that any appropriate formula could be used.

The method of Golden differs from the claimed method in that it does not compare the account withdrawal rate with a predetermined maximum withdrawal rate and make payments only if the withdrawal rate is below the maximum rate and the account balance is greater than zero [claim 4].

Edelman discloses a method for financial planning wherein the account withdrawals are monitored and payments are made only if the withdrawals comply with certain withdrawal criteria (abstract, see Fig. 13). Edelman does not explicitly show the criteria to be a withdrawal rate that is below a maximum allowable rate and an account balance that is greater than zero, however, these are design choices that would be obvious to one skilled in the art to select and any number of relevant criteria could be selected.

It would be obvious to one skilled in the art to modify the method of Golden so that the account withdrawals are monitored and payments are made only if the withdrawals comply with certain withdrawal criteria, as taught by Edelman, to provide optimal administration of investment assets.

4.   Claims 7-16 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Golden in view of Corlett et al.

With regard to claims 7, 11, 12, and 15, Golden discloses a computerized

method for administering a variable annuity benefit plan (abstract, col. 1 line 14+)

having a target payment (56, col. 8 line 52+) and for determining the amount of a

current benefit payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method

includes the steps of storing data relevant to the account, including account value (54,

Fig. 2a), target payment (56), investment rate (58), a payout term and a period of

benefit payments (50, col. 7 line 10+), determining initial and periodic benefit payments

and comparing to the target payment (col. 10 line 66, col. 11 line 1+), maintaining a

cumulative total of benefit payments (see Fig. 3), and making benefit payments to the

beneficiary (col. 12 line 63+). With regard to claims 8, 13, 14, and 16, Golden discloses

a means for calculating the periodic benefit payments and the account value (see Figs.

2a-3). The means are not the same formulae of the claimed invention, however, a

number of mathematical formulae are used in the field to calculate such values and it

would be obvious to one skilled in the art that any appropriate formula could be used.

With regard to claims 9 and 10, it would be obvious to one skilled in the art that a cap

could be placed on the payments and adjustments could be made to ensure that cap is

not exceeded.

The method of Golden differs from the claimed method in that the target payment

is not a guaranteed minimum payment that is reached by adjusting the amount of the

periodically determined payment upwardly or downwardly so as to always have a value

at least equal to the target payment [claims 7, 11, 12, 15].

Corlett discloses a method for financial planning that allows payments to be

adjusted upwardly or downwardly so as to always have a value at least equal to a

selected target payment (see Figs. 5A and 5B).

It would be obvious to one skilled in the art to modify the method of Golden to

allow periodically determined payments to be adjusted upwardly or downwardly so as to

always have a value at least equal to a selected target payment, as taught by Corlett, to

provide beneficiaries with a steady income.

5.   Claims 17-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Golden in view of Corlett et al.

With regard to claim 17, Golden discloses a computerized method for

administering a variable annuity benefit plan (abstract, col. 1 line 14+) having a target

payment (56, col. 8 line 52+) and for determining the amount of a current benefit

payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method includes the

steps of storing data relevant to the account, including account value (54, Fig. 2a),

target payment (56), investment rate (58), a payout term and a period of benefit

payments (50, col. 7 line 10+), determining initial and periodic benefit payments and

comparing to the target payment (col. 10 line 66, col. 11 line 1+), maintaining a

cumulative total of benefit payments (see Fig. 3), and making benefit payments to the

beneficiary (col. 12 line 63+). With regard to claims 18-20 and 24, the method includes

the steps of creating a record for the account (Fig. 2e), inputting relevant data relating to

the annuitant via an input screen (col. 8 line 37+, Fig. 2b), and displaying the record

(106, Fig. 2e). With regard to claims 21-23 and 25, it is common practice in the field to

retrieve stored values, perform calculations with stored and current values, generate

reports, and save data in various files, and it would be obvious to one skilled in the art

that these practices could be used.

The method of Golden differs from the claimed method in that the target payment

is not a guaranteed minimum payment that is reached by adjusting the amount of the

periodically determined payment upwardly or downwardly so as to always have a value

at least equal to the target payment [claim 17].

Corlett discloses a method for financial planning that allows payments to be

adjusted upwardly or downwardly so as to always have a value at least equal to a

selected target payment (see Figs. 5A and 5B).

It would be obvious to one skilled in the art to modify the method of Golden to

allow periodically determined payments to be adjusted upwardly or downwardly so as to

always have a value at least equal to a selected target payment, as taught by Corlett, to

provide beneficiaries with a steady income.

6.   Claims 26-34 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Golden in view of Corlett et al.

With regard to claim 26, Golden discloses a computerized method for

administering a variable annuity benefit plan (abstract, col. 1 line 14+) having a target

payment (56, col. 8 line 52+) and for determining the amount of a current benefit

payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method includes the

steps of storing data relevant to the account, including account value (54, Fig. 2a),

target payment (56), investment rate (58), a payout term and a period of benefit

payments (50, col. 7 line 10+), determining initial and periodic benefit payments and

comparing to the target payment (col. 10 line 66, col. 11 line 1+), maintaining a

cumulative total of benefit payments (see Fig. 3), and making benefit payments to the

beneficiary (col. 12 line 63+). It is inherent that the number of annuity units will be

adjusted based on payments and other considerations. With regard to claim 27, it is

common practice in accounting to set negative values equal to zero. With regard to

claims 28-30 and 33, the method includes the steps of creating a record for the account

(Fig. 2e), inputting relevant data relating to the annuitant via an input screen (col. 8 line

37+, Fig. 2b), and displaying the record (106, Fig. 2e). With regard to claims 31, 32,

and 34, it is common practice in the field to retrieve stored values, perform calculations

with stored and current values, generate reports, and save data in various files, and it

would be obvious to one skilled in the art that these practices could be used.

The method of Golden differs from the claimed method in that the target payment

is not a guaranteed minimum payment that is reached by adjusting the amount of the

periodically determined payment upwardly or downwardly so as to always have a value

at least equal to the target payment [claim 26].

Corlett discloses a method for financial planning that allows payments to be adjusted upwardly or downwardly so as to always have a value at least equal to a selected target payment (see Figs. 5A and 5B).

It would be obvious to one skilled in the art to modify the method of Golden to allow periodically determined payments to be adjusted upwardly or downwardly so as to always have a value at least equal to a selected target payment, as taught by Corlett, to provide beneficiaries with a steady income.

7.   Claims 35-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of Corlett et al.

With regard to claim 35, Golden discloses a computerized method for administering a variable annuity benefit plan (abstract, col. 1 line 14+) having a target payment (56, col. 8 line 52+) and for determining the amount of a current benefit payment under the plan (col. 2 line 25+, see Figs. 2b-2e). The method includes the steps of storing data relevant to the account, including account value (54, Fig. 2a), target payment (56), investment rate (58), a payout term and a period of benefit payments (50, col. 7 line 10+), determining initial and periodic benefit payments and comparing to the target payment (col. 10 line 66, col. 11 line 1+), maintaining a cumulative total of benefit payments (see Fig. 3), and making benefit payments to the beneficiary (col. 12 line 63+). Withdrawals are monitored and adjustments are made for unscheduled withdrawals (col. 7 line 45+). With regard to claims 36-38, Golden discloses a means for calculating the periodic benefit payments, adjustment, and the

account value (see Figs. 2a-3). The means are not the same formulae of the claimed

invention, however, a number of mathematical formulae are used in the field to calculate

such values and it would be obvious to one skilled in the art that any appropriate

formula could be used. With regard to claims 39-41, the method includes the steps of

creating a record for the account (Fig. 2e), inputting relevant data relating to the

annuitant via an input screen (col. 8 line 37+, Fig. 2b), and displaying the record (106,

Fig. 2e). With regard to claims 42-43, it is common practice in the field to retrieve

stored values, perform calculations with stored and current values, generate reports,

and save data in various files, and it would be obvious to one skilled in the art that these

practices could be used.

The method of Golden differs from the claimed method in that the target payment

is not a guaranteed minimum payment that is reached by adjusting the amount of the

periodically determined payment upwardly or downwardly so as to always have a value

at least equal to the target payment and payments are not made even if the account

value is exhausted before the benefit period is complete [claim 35]. However, the

primary purpose of financial planning is to assure that one's account value is not

depleted by making excessive withdrawals, so proper planning would assure that this

situation does not arise. Certain forms of protection are available (for example,

overdraft protection) to allow continuation of payments from an account that has been

depleted, and it would be obvious to one skilled in the art that such a feature could be

incorporated into the method of Golden.

Corlett discloses a method for financial planning that allows payments to be
adjusted upwardly or downwardly so as to always have a value at least equal to a
selected target payment (see Figs. 5A and 5B).

It would be obvious to one skilled in the art to modify the method of Golden to
allow periodically determined payments to be adjusted upwardly or downwardly so as to
always have a value at least equal to a selected target payment, as taught by Corlett, to
provide beneficiaries with a steady income.

Response to Arguments

8.   Applicant's arguments filed January 2, 2003 have been fully considered but they
are not persuasive. Applicant argues that Golden discloses a method relating to
annuities with fixed payments and not variable annuities as in the instant invention.
Variable annuities being the general form of annuities, with payments that vary on a
host of circumstances, fixed annuities are merely a special case of variable annuities in
which the variability of the payments is zero. It would be obvious to one skilled in the art
that the annuity could be tailored to provide payments with a variety of variability, for
example, ascending, descending, constant, and so forth (see Golden, col. 9 line 40+).
Golden discloses that it is possible for the client to select a payment plan with level (i.e.,
constant) periodic distributions (col. 9 line 45). Since the payment at any given time is
dependent upon a host of varying parameters, some sort of adjustment (upward or
downward) must be made to attain a constant payment amount. Golden discloses that
adjustments can be made upward (col. 12 line 39+) if the calculated payment is less

than the minimum payment. Corlett is used merely to show a method for financial

planning that explicitly discloses a process for determining whether a target payment

has been met (or exceeded) and how to act so as to always have a value at least equal

to a selected target payment (see Figs. 5A and 5B). It would be obvious to one skilled

in the art that this generic process (adjusting up or down to attain a certain level of a

payment) could be applied widely to a variety of financial planning situations.

Conclusion

9.   **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time

policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within

TWO MONTHS of the mailing date of this final action and the advisory action is not

mailed until after the end of the THREE-MONTH shortened statutory period, then the

shortened statutory period will expire on the date the advisory action is mailed, and any

extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later

than SIX MONTHS from the mailing date of this final action.

10.   Any inquiry concerning this communication or earlier communications from the

examiner should be directed to Christopher R Buchanan whose telephone number is

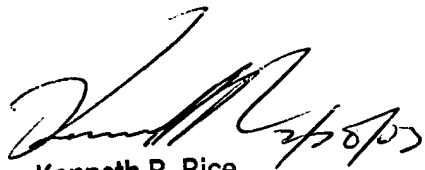703-306-5782. The examiner can normally be reached on M-T 9-7.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Olszewski can be reached on 703-308-5183. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Christopher Buchanan
February 24, 2003

Kenneth R. Rice
Primary Examiner